

REMARKS/ARGUMENTS

I. General Remarks

Please consider the application in view of the following remarks.

II. Disposition of Claims

Claims 1-35 are pending in this application.

Claims 1-5, 9-12, 14, 16-20, 22, 25, 27, and 29-32 are amended. These amendments were made for clarity and/or to further or more clearly define the scope of the invention, except that amendments to claims 12, 16, and 30 were made in response to the Examiner's statement that the amendments would render these claims allowable.

Also, to expedite prosecution and issuance of the application, Applicants amended claims 2-5 and 9-11 such that these claims are now dependent from amended claim 12 which the Examiner has indicated is allowable in independent form. Similarly, Applicants amended claims 17-20, 22 and 25 such that these claims are now dependent from amended claim 16 which the Examiner has indicated is allowable in independent form. Also Applicants amended claim 32 such that claims 32-35 are now directly or indirectly dependent from amended claim 30 which the Examiner has indicated is allowable in independent form. Thus these amended claims are believed to be allowable as dependent on an allowable base claim.

Notwithstanding Applicants' amendments herein, Applicants respectfully reserve the right to pursue and further prosecute the claims (unamended) as rejected by the Examiner in a continuation, divisional, or continuation-in-part application.

III. Amendment to the Specification

Applicants have amended paragraph [0001] of the specification to reflect that grand-parent patent application United States Serial No. 10/175,272 issued as United States Patent No. 6,887,832 on May 3, 2005. Applicants have also amended this paragraph [0001] to reflect that great-grandparent International Patent Application Nos. PCT/US00/35609 and PCT/US00/35610, have entered national phase in the United States as United States Patent Application Serial No. 10/432,787 and United States Patent Application Serial No. 10/432,786, respectively.

IV. Allowable Claims

Applicants acknowledge with appreciation that the Examiner has advised that claims 12, 16, and 30 would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims. The Examiner objected to the claims because they were dependent upon a rejected base claim.

Applicants have amended the claims accordingly to expedite prosecution of this application and issuance of these claims. However, Applicants respectfully traverse the Examiner's rejections of the base claims necessitating these amendments for the reasons discussed below. Thus, notwithstanding Applicants' amendments herein, Applicants respectfully reserve the right to pursue and further prosecute the claims rejected by the Examiner in a continuation, divisional, or continuation-in-part application.

V. Information Disclosure Statement

The Examiner has noted that the information disclosure statement filed 9/16/05 [sic] (believed to actually be 9/16/03) fails to comply with 37 CFR 1.98(a)(3) because it does not include a concise explanation of the relevance, as it is presently understood by

the individual designated in 37 CFR 1.56(c) most knowledgeable about the content of the information, of each patent listed that is not in the English language. The Examiner has indicated that this information has thus not been considered.

Further, the Examiner has indicated that Applicant has submitted over 150 prior art documents and that the MPEP 2004 states it is desirable to avoid long lists of documents if it can be avoided. The Examiner has added that if a long list is submitted, the documents which have been specifically brought to applicant's attention and/or are known to be of most significance should be highlighted.

Applicants respectfully submit that the most relevant and material art known to them was discussed in the patent application itself. However, this patent application is related to a patent (United States Patent No. 6,887,832) currently the subject of a patent infringement lawsuit and a large amount of art has been identified in that litigation. Because of the relationship between the patent in litigation and the present patent application, Applicants believe they are obligated to disclose the art cited in or brought to Applicants' attention in or related to that lawsuit. Consequently, Applicants have still further documents to disclose for this patent application that were identified in or otherwise associated with that lawsuit. These documents are being provided separately.

VI. Rejection of Claims under 35 U.S.C. § 102

The Examiner has rejected claims 1-11, 13-15, 17-29 and 31-33 under 35 U.S.C. 102(b) as being anticipated by Dymond (4777200).

The Examiner has stated that:

Dymond teaches an invert emulsion drilling fluid within the scope of the present invention, which comprises polymers such as 2-ethylhexyl acrylate and acrylic acid copolymer (see the examples and in particular example 3). The specified mineral oils used are synthetic, and contain paraffins and olefins. Such

drilling fluid would inherently have properties within the scope of the present invention.

Applicants respectfully traverse this rejection. The law of inherency has recently been reviewed by noted intellectual property law scholars Dan Burk and Mark Lemley in an article entitled "Inherency," published at 47 Wm and Mary L. Rev. 371-411 (2005). Professors Burk and Lemley note that "inherency is perhaps the most elusive doctrine in all of patent law." However, they advise that confusion is not necessary and that the inherency cases are all ultimately about whether the public already gets the benefit of the claimed invention or element. If they do, then the invention is inherent in the prior art, even if the public does not know why. However, if the public does not already benefit from the invention, there is no inherency. The key to understanding inherency is to focus on public benefit rather than knowledge.

Further, the Federal Circuit has stated that an inherent disclosure, to be invalidating as an "anticipation," is a disclosure that is necessarily contained in the prior art, and would be so recognized by a person of ordinary skill in that art. *Continental Can Co. USA, Inc. v. Monsanto Co.*, 948 F.2d 1264, 1268-69, 20 U.S.P.Q.2D (BNA) 1746, 1749-50 (Fed. Cir. 1991). "Inherency" charges the inventor with knowledge that would be known to the art, although not described. Inherency is not a matter of hindsight based on the applicant's disclosure: the missing claim elements must necessarily be present in the prior art.

Statements in the claims that define and limit the invention are material limitations, for purposes of infringement and for purposes of distinguishing from the

prior art. *In re Stencel*, 828 F.2d 751, 754-55, 4 U.S.P.Q.2D (BNA) 1071, 1073 (Fed. Cir. 1987).

It is error to state that advantages recited in the claims can not impart patentability. The advantages of an invention are often relied on to support patentability; whether they are included in the claim depends on a variety of factors, and is not the subject of a rigid rule. Since Applicants' claimed invention is not described in a single prior art reference, it is not "anticipated." *Rowe v. Dror*, 1122 F.3d 473, 478-79; 42 U.S.P.Q.2d 1559, 1553-54 (Fed. Cir. 1997). The public does not have the benefits of Applicants' invention without Applicants' invention and teachings.

The Examiner summarily indicates that the Dymond drilling fluid has some common elements with Applicants' invention and therefore would inherently have properties within the scope of Applicants' invention. However, the law is well established that anticipation cannot be based on conjecture. For anticipation, "a single prior art reference must expressly or inherently describe each and every limitation set forth in the patent claim." For inherent anticipation, the missing descriptive material or inherent property must be "necessarily present" in the prior art and "must be so recognized by persons of ordinary skill in the art." *E.g., Trintec Industries, Inc. v. Top-U.S.A. Corp.*, 295 F.3d 1292 (Fed. Cir. 2002); *Hitzeman v. Rutter*, 243 F.3d 1345 (Fed. Cir. 2001). See MPEP § 2144.03, citing *In re Zurko*, 258 F.3d 1379, 1385, 59 U.S.P.Q.2d 1693, 1697 (Fed. Cir. 2001) ("[T]he Board cannot simply reach conclusions based on its own understanding or experience—or on its assessment of what would be basic knowledge or common sense. Rather, the Board must point to some concrete evidence in the record in support of these findings.") Conclusory statements do not fulfill

the Examiner's obligations. *See In re Lee*, 277 F.3d 1338, 1344-45, 61 U.S.P.Q.2d 1430, 1434-35 (Fed. Cir. 2002).

U.S. Patent No. 4,777,200 to Dymond et al. cited by the Examiner discloses thickeners with multiple uses. Every example of use in a drilling fluid employs a fluid having, among other components, a fluid loss control agent in the drilling fluid. Applicants' independent claims 1, 14 and 27, as currently amended, specifically negate addition or inclusion of a fluid loss control agent. This distinction alone should be sufficient to distinguish Dymond as an anticipatory reference, as Dymond fails to have identity with each element in Applicants' claims as required for anticipation.

Moreover, Applicants provided data distinguishing Dymond in Applicants' specification. However, the Examiner indicated in interview (see interview summary previously filed) that he believed that a broad range of fluid loss agents could be used in the Dymond formulation while Applicant had shown tests with only one. For example, the Examiner named acrylamide and carboxymethyl cellulose as alternative fluid loss control agents not included in Applicant's data, even though these agents would more commonly be used with water based fluids than with oil or emulsion based fluids. The Examiner has not refuted that the fluid loss control agent Applicants used in their test was a common fluid loss control agent used in oil and emulsion based fluids. Rather, the Examiner reiterated in interview that many fluid loss control agents could be used. However, Applicants respectfully request that the Examiner reconsider his rejections because the Examiner has not shown that Dymond makes this teaching nor has he shown the general knowledge in the art and/or common practice on which he is basing his rejections. MPEP § 2144.03(A) provides that, "It would not be appropriate for the

examiner to take official notice of facts without citing a prior art reference where the facts asserted to be well known are capable of instant and unquestionable demonstration as being well-known.”

Further, even if many different fluid loss control agents could be used as the Examiner states, and even if *arguendo* as the Examiner further implies some of the fluid loss control agents would cause the Dymond drilling fluid to yield different results than the results shown in Applicants’ test, in any case such conjecture does not support a position that Dymond anticipates Applicants’ drilling fluid without any fluid loss control agent as Applicants claim in amended independent claims 1, 14 and 27. The Examiner commented in interview (see interview summary previously filed) that the Dymond reference did not say that a fluid loss control agent had to be used. Applicants respectfully traverse this assertion because the Dymond reference used a fluid loss control agent in every example drilling fluid formulation provided and included no teaching that a fluid loss control agent could be omitted from the drilling fluid formulation taught. See MPEP § 2144.03(A), citing among other cases, *In re Eynde*, 480 F.2d 1364, 1370, 178 U.S.P.Q. 470, 474 (CCPA 1973), noting that the court rejected “the notion that judicial or administrative notice may be taken of the state of the art. The facts constituting the state of the art are normally subject to the possibility of rational disagreement among reasonable men and are not amenable to the taking of such notice.”

Applicants respectfully submit that Dymond does not have the necessary elements for anticipation and does not give the public the benefit of Applicants’ invention.

VII. Rejection of Claims under 35 U.S.C. § 103

The Examiner has rejected claims 28 and 32-35 under 35 U.S.C. 103(a) as obvious from Dymond (4777200). Specifically, the Examiner has stated:

Dymond teaches a drilling fluid within the scope of the present invention, used in drilling a subterranean formation (see the examples). Dymond differs in not teaching the specific completion or gravel packing steps of claims 34 and 35. Dymond however teaches that the fluid may be used as a completion fluid or a packer fluid (column 5, lines 8-12). It would be obvious to one of ordinary skill in the art to utilize the fluid of Dymond in gravel packing operations, and completion operations, such as cementing and casing, given the teaching of Dymond that the fluids may be used as completion and packing fluids.

Applicants respectfully traverse the Examiner's rejections. Applicants respectfully submit that the Dymond reference provides no teaching or suggestion of a drilling fluid with the minimal elements claimed by Applicant and no teaching or suggestion of the effectiveness of a drilling fluid with the minimal elements claimed by Applicant. Applicant respectfully requests that the Examiner reconsider his rejection, particularly with respect to claim 28.

To expedite issuance of some claims, Applicants have amended claim 32 such that claims 32-35 are now directly or indirectly dependent from amended claim 30 which the Examiner has indicated is allowable in independent form. Thus these claims 32-35 are believed to be allowable as dependent on an allowable base claim.

SUMMARY

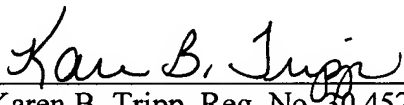
Applicants respectfully note again that they have reserved their rights to pursue the unamended versions of the pending claims in a later continuation, divisional, or continuation-in-part application. Although the Examiner has rejected those claims on grounds of inherent anticipation and/or obviousness, Applicants respectfully submit that those rejections are improper.

Applicants respectfully request that the Examiner reconsider his rejections on grounds of anticipation and obviousness in light of Applicants' arguments and amendments submitted herein.

Applicants respectfully submit that all of the pending claims, as amended, are in condition for allowance and Applicants respectfully request the Examiner to enter the amendments and to allow the application to proceed to issue.

Respectfully submitted,

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